

**Before The
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In Matter of)

Reciprocal Compensation for CMRS
Providers)

WT Docket No. 97-207

CC Docket Nos. 96-98/95-185

To: The Commission

REPLY COMMENTS OF CENTENNIAL COMMUNICATIONS CORP.

Centennial Communications Corp. ("Centennial"), by its attorneys and pursuant to the Commission's Public Notice released on May 11, 2000 (DA 00-1050), submits these reply comments in the above-captioned proceeding. Centennial's subsidiaries are wireless CMRS providers with licenses covering nine states.

I. ADDITIONAL CLARIFICATION BY THE FCC ABOUT CMRS COSTS WILL ASSIST STATE COMMISSIONS AND THE CMRS INDUSTRY.

In its initial Comments, Centennial agreed with Sprint PCS that the Commission should provide guidance in identifying traffic-sensitive costs involved in the delivery of calls to CMRS customers and should make it clear to state utility commissions that CMRS providers are entitled to recover all such costs through reciprocal compensation. Bell South's Comments, filed June 1, 2000, stated bluntly that "[t]he state commissions need no 'guidance' to properly apply the Commission's rules."¹ Centennial disagrees, along with the majority of other commenters. As the Personal Communications Industry Association ("PCIA") explains, "the pro-consumer

¹ See Comments of BellSouth at 5.

benefits of interstate competition cannot be fully achieved if wireless carriers are subject to a patchwork of inconsistent state regulatory rulings with regard to terminating compensation that inhibit the establishment of systemwide, regionwide and nationwide pricing plans.²

Multi-state pricing plans are becoming much more common for CMRS providers, including Centennial. As VoiceStream Wireless Corporation (“VoiceStream”) describes from experience, ILECs have refused to offer previously arbitrated tandem, symmetrical rates in a multi-state interconnection agreement.³ This sort of calculated intransigence on the part of ILECs leads to pointless arbitrations before state commissions, which drives up the cost of doing business for CMRS providers. This, of course, is a very satisfactory by-product of the dispute from the ILEC standpoint. Clear FCC guidance could short-circuit such resistance to multi-state agreements.

Even if CMRS providers were to avail themselves of the opportunity to file cost studies to support non-symmetrical reciprocal compensation, as permitted by the Commission’s rules, CMRS providers would benefit from FCC guidance about which costs will be considered “traffic sensitive.”⁴ Despite the fact that all cost studies are expensive and resource-intensive, CMRS providers could prepare a cost study with more confidence if they knew precisely what costs are deemed “traffic-sensitive.” This information would certainly be useful to state commissions in reviewing CMRS cost studies. As the Comments of Cellular XL Associates, L.P., point out, state commissions “may be ill-equipped to address the distinct issues relating to CMRS carriers’ networks because they historically have not regulated and monitored those networks as they have

² See Comments of PCIA at 9.

³ See Comments of VoiceStream Wireless Corporation at 3.

⁴ See 47 C.F.R. § 51.711(b).

those of the LECs.”⁵ In its Request, Sprint PCS explained that “relatively few state commissions have been asked to date to address the question of what additional costs CMRS providers may recover in reciprocal compensation. Nevertheless, each of the state commissions has had some difficulty in applying the FCC’s rules—a situation that the FCC could rectify by providing the same type of guidance for CMRS networks that it has provided for wireline networks.”⁶

A patchwork of different state commission decisions on reciprocal compensation for CMRS carriers could make multi-state CMRS interconnection agreements virtually impossible, thus hindering competition by increasing time to market and driving up CMRS carriers’ costs. Guidance from the FCC concerning the portions of the CMRS network that are “traffic sensitive,” and therefore subject to recovery via reciprocal compensation, is important to fostering true competition between wireless and wireline carriers. Further, such guidance would enable CMRS carriers to create consistent cost studies if they decide to demonstrate to state commissions that their termination costs exceed those of the LECs.

II. THE COMMISSION SHOULD REAFFIRM THE APPLICABILITY OF ITS EXISTING RECIPROCAL COMPENSATION REGULATIONS TO CMRS PROVIDERS.

Centennial supports the observation of Western Wireless that, where a CMRS provider does not elect to produce its own forward-looking cost study, it should be able to obtain “symmetric” reciprocal compensation rates under Section 51.711(a) of the Commission’s rules. Specifically, Centennial concurs that if the CMRS provider can demonstrate that its switching centers “serve a geographic area comparable to the area served by the incumbent LEC’s tandem

⁵ See Comments of Cellular XL Associates, L.P. at 2.

⁶ See Sprint Legal Memorandum “A Legal Framework for CMRS Call Termination Cost-Based Compensation” (Feb. 2, 2000) at 8-11.

switch...the appropriate [reciprocal compensation] rate is the incumbent LEC's tandem interconnection rate.”⁷ Centennial, like many other CMRS providers, typically uses a single centralized switch to serve an entire license area, or a group of contiguous areas – often a larger area than a landline LEC's LATA. As Western Wireless points out, disputes with ILECs about “opting-in” to existing interconnection agreements that use the tandem rate could be reduced or eliminated if the Commission issued an Order reaffirming the applicability of subsection (a)(3) to CMRS providers.⁸ This would ameliorate the delay and debate that currently surrounds many CMRS providers' efforts to “opt-in” to existing agreements that use the tandem rate. Such delay and debate defeats the essential purpose of Section 252(i), which is to promote swift entry for new entrants into the market under the same prices, terms and conditions as other carriers.

III. CONCLUSION

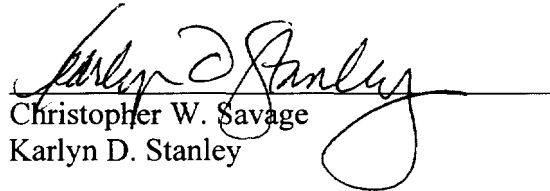
In summary, the Commission could assist the states and the CMRS industry by providing guidance about the types of additional costs - particularly “traffic sensitive” costs - that CMRS providers may recover through reciprocal compensation. Contrary to Bell South's assertion that the states “need no guidance,” the Commission has already provided considerable guidance concerning the types of additional costs landline networks may recover in reciprocal compensation. Centennial supports Sprint PCS's request that the Commission provide similar guidance concerning wireless networks to the CMRS industry and state commissions. Centennial also urges the Commission to issue an order reaffirming that the Commission's existing reciprocal compensation regulations apply with full force and effect to CMRS carriers.

⁷ See Comments of Western Wireless Corporation at 7, citing 47 C.F.R. § 51.711(a)(3).

⁸ Id. at 9.

Reciprocal compensation based on all of the costs incurred by CMRS providers in terminating the traffic of other carriers will serve the public interest by improving competition between mobile providers and fixed service providers.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I, Kathleen G. Maynard, hereby certify that a true and correct copy of the foregoing Reply Comments of Centennial Communications Corp. was sent via hand delivery (*) or first class mail, postage prepaid, to the following parties on the 13th day of June, 2000.

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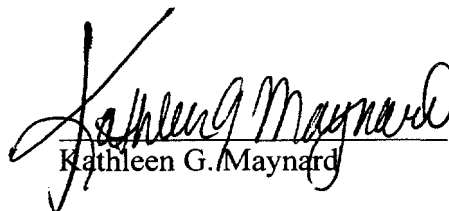
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